

**ABSTRACT OF THE DISCLOSURE****ELECTRONIC AUCTION METHOD AND SYSTEM FOR GENERATING  
OFF-INCREMENT PROXY BIDS**

An electronic auction method and system are  
5 disclosed for generating off-increment proxy bids. A  
minimum increment is specified for bidding on an item. A  
bid for the item is received from a first bidder which is  
currently a high bid for the item. A previously recorded  
proxy bid is received from a second bidder which is  
10 greater than the current high bid and not greater than  
the high bid plus the minimum increment. An  
off-increment bid is generated which does not increase  
the bid received from the first bidder by the increment  
and also does not exceed the proxy bid. The  
15 off-increment bid becomes a high bid for the item  
utilizing the proxy bid. The second bidder thus holds a  
current high bid for the item.

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